## NEW YORK HERALD.

JAMES GORDON BENNETT, EDITOR AND PROPRIETOR.

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New York, Saturday, January 11, 1862.

## THE SITUATION.

The quiet of the lines along the army of the Po tomac was yesterday slightly disturbed by a skirmish with the enemy near Pohiok church. It anpears that the Fifth Michigan Volunteers were on picket duty in front of General Heintzelman's division, when Company H went out from the main body on a scouting expedition. On reaching the bank near Pohick run the detachment was fired on by a small force of rebel infantry concealed in the woods: The fire was instantly returned with effect. The rebels finding they were being worsted retreated rapidly.

From the Potomac correspondent of the Herald an announcement has been received of attacks made on the rebel batteries at Aquia creek and Boyd's Hole, also further particulars of the engagement with the Yankee on the 2d inst. The Potomac is still full of ice, enough to impede navigation, which is not at all improved by the fog.

A skirmish has taken place at Bath Va. he Scen the advance guard of General Jackson's bels, 8,000 strong, and a small brigade of General elly's troops, under Captain Russell. The Union infantry was placed in a dense wood, as skirmishers, when the Union cavalry decoyed the pounced at Washington as being one of great brilliancy, and Captain Russell has been praised therefor on that account.

The news from Cairo and Chicago is to the effect that the advance of the great expedition had commenced a southward movement, and the main body of the troops had embarked preparatory to leaving. They were expected to start early this morning. The various brigades were to be placed un. der the command of Generals Paine, McClernand.

General Palmer, in Missouri, reports, from Otterville, to General Halleck that an engagement took place on Silver creek, between a battalion of Union troops and the rebels, under Poindexter. numbering about thirteen hundred men. The rebels were totally routed, with great loss in wounded and prisoners and seven killed. The Union loss was four. The rebel camp was destroyed and a large number of horses and teams secured.

By the Oriental, from Port Royal, full details of the engagement at Port Royal Ferry with drawings of the line of march, &c., have been received. Both details and sketch are published in to-day's HERALD. It had been asserted by a despatch from Charleston, circulated through the rebel States. that on the 3d instant the Union soldiers were driven at the point of the bayonet from their position by the rebel troops. The Oriental left on the 6th, and no such repulse had taken place, General Stevens being able to hold his own.

From Boston intelligence has been received that troops of General Butler's division that were embarked on the Constitution have been again or. Acred on shore, but no reason for the movement has been assigned. It is, however, positively asperted that the expedition has not been abandoned.

The mails by the Canada betoken a far different

feeling in Great Britain than has heretofore been nifested since the receipt by them of the news of the seizure of the rebel emissaries. The hot blooded rush to arms has cooled down, and the dread of the horrors of war and dangers to commerce are making themselves manifest, while some are considering the chances of "no war at all," and begin to count the cost of their hostile demonstration. It is asserted that the money expended would have relaid the Atlantic cable, by which means so vast a waste of cash would have been saved. Deputations from several religious bodies, peace societies and other corporations have waited on the Premier and memorials have been presented to induce him. If possible, to refrain from war, and arbitration, if not recommended, is broadly hinted at. England Is very anxiously awaiting the arrival of the answer from this country relative to Mason and Slidell to relieve them of an intolerable suspense, and decide the question of either peace or war between En-

and and America. Our Paris perrespondent has forwarded us a se-

cond important document on the question of the Trent difficulty from the Opinion Nationale, which shows that France considers that a war made by England upon the United States would disturb the whole of the other Powers in Europe, and calls on the French nation not to aid England in such an

CONGRESS.

In the Senate yesterday, Mr. Lane, of Kansas referring to some remarks in the HERALD in reference to the contest between himself and Mr. Stanton, who disputes Mr. Lane's right to a seat in the Senate, said it was not true that he had sent his resignation to the Kansas Legislature, but it was true that he had accepted the Brigadier Generalship tendered him. The report of the Judiciary Committee in favor of expelling Waldo P. Johnson and Trusten Polk, Senators from Missouri, who have joined the rebels, was adopted unanimously. and the Vice President was instructed to notify the Governor of Missouri of this action of the Senate. A resolution was adopted calling on the Secretary of State for a list of all the American Consuls. The bill providing that persons confined in the jail of the District of Columbia prior to the last term of the Criminal Court be set free if no indictment be found against them, was taken up. As the object of the bill is to liberate the fugitive slaves now in prison, Mr. Powell moved as an amendment to except said fugitives, when, on motion of Mr. Pearce, the further consideration of the subject was postponed, and the bill made the special order for Tuesday next. The motion to refe the credentials of Mr. Stark, the newly elected member from Oregon, whose loyalty is questioned, to the Judiciary Committee, was then taken up, discussed at some length, and finally adopted by a vote of twenty-eight to eleven. The bill organiz ing the signal department of the army was passed. The bill relative to the appointment of sutlers and defining their duties was taken up. Mr. Lane, of Kansas, offered an amendment abolishing the sutler system, as it was a noisance and an injury to the service. Mr. Carlile moved to recommit the bill, with instructions to abolish sutlers and furnish soldiers tobacco rations; but without any action on the motion the subject was dropped.

In the House of Representatives a letter was received from the Secretary of War, in which he states that measures have been taken to ascertain who is responsible for the disastrous movement at Ball's Bluff, but that it is not compatible with the public interest to make known those measures at the present time. The paper was referred to the Joint Committee on the Conduct of the War A resolution was adopted directing inquiry whether any legislation is necessary to procure decent burial place for those who have died at the Alexandria Hospital and its vicinity. A reso lution calling for information as to the numbe of paymasters in the army, and how many are necessary for the service, with a view of dismiss ing such as are incompetent or are not required was adopted. In Committee of the Whole, the Civi Appropriation bill was taken up, and a long dis cussion ensued on an amendment offered by Mr. tevens, appropriating \$150,000 to supply the deficiency for printing Treasury notes, in which frauds between the officials of the Treasury and the engravers were charged. Finally the endment was rejected, as was also a clause ap propriating \$100,000 for engraving and printing Treasury notes. The committee then rose and the subject came before the House for action, when Mr. Stevens asked for a vote by yeas and nays on concurring with the committee, saying that if the question should be determined in the affirmative, self-respect would compel the Secretary of the Treasury to resign his office. Further debate en sued; but without taking the question the House adjourned.

Both houses adjourned till Monday. The public frequently get the names of the three United States Senators Lane confounded. Joseph Lane was one of the first representatives in the Senate from the State of Oregon, and his term ex pire: with the last Congress. He was killed off politically by running on the ticket with John C. Breckinridge for Vice President, in 1860. James H. Lane was elected to the Senate from Ka but has recently accepted a brigadier generalship in the army. Henry S. Lane is now one of the Senators from Indiana.

## MISCELLANEOUS NEWS.

The State Senate met yesterday, but, on calling the roll, a quorum not being in attendance, it ad journed till Monday evening. The Assembly held short session, during which some twenty bills were introduced, and notices given of the future introduction of some dozen more. Among those introduced was the New York and Brooklyn Baggage and Passenger Express bill, which was referred to the Judiciary Committee; also one to amend the Revised Statutes relative to contracts in this city. The remainder were not of particular interest. Among the bills noticed were one to regulate the dividends of fire insurance companies, one to amend the Firemen's act of 1853, and one in rela tion to an amendment of the Revised Statutes. A resolution relative to the irregularities in the State printing contracts was discussed and adopted. A resolution was offered, but laid over, inquiring of the Governor whether the volunteers enlisted in April last have been paid, and if not, whether egislation is necessary on the subject. The Assembly adjourned till Monday evening.

On Thursday night a light air prevailed from south and east, which was accompanied by a thick fog, which settled over our cities and bay all yes terday, and at sunset became very dense. The progress of the ferryboats was much impeded, and the navigation of all vessels rendered very difficult and dangerous both by fog and ice, large quantities of the latter being broken up by the soft and murky weather, and drifting about. Should this weather continue a short time, there is no doubt but that the ice will disappear. As yet we have heard of no accidents to the shipping or about the harbor. The Sound boats bound east were all detained in consequence of the fog.

News has been received at Cairo confirming the reported resignation of Gen. Pillow from the rebel army. He surrendered his commission on the 3d

The rebels report that they have over one hun dred and fifty rifled cannon mounted on the bluffs at Columbus, and that the boats which sustain the chain across the river contain torpedoes which can be easily exploded.

A deserter from the rebel General Price's camp. who has been with him through his whole cam paign in Missouri, says that although his ragged and half starved followers have often numbered as high as forty or fifty thousand, yet at no time, from a combination of causes, could he have put over ten thousand fighting men in the field. The re mainder could not be viewed in any other light than as an undisciplined and unarmed mob of camp followers. He has now twenty thousand poorly supplied rebels under him hanging about Spring-field, with forty-six pieces of cannon of all sizes and descriptions.

The Cherokee Indians, having become about equally divided on the question of loyalty and rebellion, are now fighting among themselves. The loyal party—headed by John Ross, who has for so long a time been their faithful chief—recently gained two victories over the rebels. The Cherokees at first evinced a strong desire to remain neu tral in regard to the present disturbances, and the government was disposed to allow them to main tain such a position, but some wicked and unserupulous emissaries of Jeff. Davis went among them and succeeded in getting a large number to forswear their allegiance to the govern-

they are now engaged in slaughtering each other. An election was held on the 30th ult. in the Third ongressional district of Missouri to fill the vacan cy caused by the expulsion from the House of Re-presentatives of John B. Clark. Judge Wm. A. Hall was the successful candidate. In the Fifth istrict of the same State an election was held or the 6th inst. to fill the seat left vacant by the turn ing out of the rebel John W. Reed. General Geo. R. Smith and Brigadier General Thomas L. Price were the candidates. The latter is probably

General Lander has been ordered to relieve Ge neral Kelly in Western Virginia, instead of Genera

Reynolds, who has resigned. It has been a-serted in London that the German papers had stated that France alone had expressed views on the American conflict. They also state that the circular of M. Thouvenel was not commi nicated to all the European Powers, and therefore it was questionable whether a reply would be given

to the circular. Judge J. W. Hemphill, whose death we an nounced on Wednesday, was a member of the United States Senate from Texas. He was elected in place of Sam Houston, and took his seat in 1859 If he had remained loyal to the constitution hi term would not have expired until 1865. We believe Mr. Hemphill did not formally withdraw from the Senate, but on the breaking out of the rebel-

lion he dropped off, like a rotten apple from a tree. The message of Governor Dennison, of Ohio, oc-cupies fifteen and a half columns of the State Joural. This is about equal to some of Governor

The body of Mr. L. W. Newson, of New York, who has been missing since the 25th ult., was found on the 8th inst. in the woods in the town of Woodbridge, Conn. He had evidently committed suicide by shooting himself with a pistol

A number of blue noses, who have formed then selves into a debating society in Halifax, N. S. have decided, after arguing the question three nights, that the Southern rebellion is legitimate, and that the Southern States had a right to secede from the Union.

A military court at St. Louis has imposed a fin of one thousand dollars on Edward M. Mabie for dislovalty to the government and running the blockade at Cairo.

The tobacco warehouse of Kerr & Co., of Liver pool, England, situated in Henderson, Kentucky was burned on the 5th inst. Nine thousand dollar worth of tobacco was destroyed. Total loss twenty thousand dollars.

The iron foundries of Troy have a contract from the government to make eight thousand thirteen inch shells, weighing two hundred pounds each They are to be landed on Governor's Island, opport site this city, within twenty days.

The village of Lockport will apply to the New York Legislature this winter for a city charter There are now thirteen cities in this State.

The chief feature of interest yesterday in the narket was the public sale by Messrs. Burdett & Jone and went off with spirit. It was sold under the govern ment order of confiscation. Some portion was inferio and brought low figures, while the good qualities pre dom'nated and sold high, ranging from 57c, a 63c., givin chased 46 bales at 62%c., it was supposed, for shipmen to Europe, while some portions were purchased on account of spinners of cotton thread, the only article hither to produced from this kind of cotton in the United States Hitherto nearly the entire yield of this description o otton has been exported to Europe. The largest cro over made was in 1859-60, when it amounted to 58,000 bales, 18,000 of which were produced on the seacoas of South Carolina, about 18,000 in Georgia, and most of the remainder on the coast of Florida, with mall lots on the coast of Texas. The cotton brought by the Vanderbilt from Port Royal was chiefly packed in the seeded state in gunny bags, a part of which has been operated on by saw gins since its arrival, by which it has suffered material injury. The staple of Sea Island cotton is so fine and delicate in its fibre as to require to b cleaned by the roller gin, which is comparatively a slow process. The flour market was rather firmer for some grades, with some better demand. Wheat was firm, while sales were light. Corn was heavy, and transactions li while prices were unchanged. Sugars were quiet, while sales embraced 284 hbds. Cubas. Whiskey further advanced, with sales at 27c. Freights were steady, with more offering.

The War and the Sinews of War-Con gress and the Army.

The two great questions which now monopo lize the public mind are, first, when are we to have a great and decisive battle? and, second, are they doing anything in Congress to save the government and the country from the ruinous consequences of a threatened irredcemable and constantly depreciating shinplaster currency?

We are happy to say, in reply to the first of these questions, that the army is in motionthat the several detachments of the powerful column of General Buell, in Kentucky, from different points, are closing around the rebel inland stronghold of Bowling Green; while from our own stronghold of Cairo a formidable flotilla, with a corresponding land force, is on the eve of starting towards the fortified rebel camp at Columbus, on the Mississippi river. The rebel army at Bowling Green is supposed to be not less than sixty-five thousand men, and their army at Columbus is set down at about twenty thousand. On our side, the advancing forces of General Buell will, it is believed, present an aggregate of not less than seventy thousand men; and that the column of General McClernand, from Cairo, with some important reinforcements from General Smith, at Paducah, will amount to full thirty thousand men. Both of these moving columns are admirably equipped and amply provided with good artillery; and from the splendid fighting qualities already displayed in every sort of en counter by our Western Union troops, we have no hesitation in submitting the prediction that before the end of the present month we shall have some grand and decisive Union victories

At the same time the Burnside naval expedition has moved down from Annapolis to Hampton Roads (Fortress Monroe), and is only waiting the signal for a dash upon the enemy at some important point or two on the Southern seaboard. The practical knowledge derived from the Cape Hatteras and Port Royal expeditions has contributed materially to make this expedition of Burnside a certain success against any point which it may assail, and to justify the opinion that Burnside, having dislodged his enemy from his first position, will instantly follow him up, disperse his forces or capture them, and strike at their main arteries of inland communication between Virginia and the cotton States. Simultaneously with the thunders of our artillery in the West we may expect to hear of the shelling out of the enemy somewhere in the southeast by the Burnside expedi-

But what of our grand army of the Poto Is General McClellan, with his two hundred thousand men, to remain stationary all this time? Beauregard, it appears, is under this impression; for he has put his troops at Centreville, and along Bull run and the Occoquan, actively to work in the erection of log huts for their winter quarters. But this signifles nothing. We presume, on the contrary, that, as General McClellan has not proceeded to

ment that has fostered them, and the result is that | the building of log huts, he expects soon to put his army in motion. We think, too, that he intelligent reader will be able to discover, from the other army movements indicated, that they are but parts of a grand system of combined operations, in which the army of the Potomac will strike the heaviest and finishing blows. The facts we have recited are sufficient to show that the grand winer campaign of our army and navy, which will inevitably crush this rebellion has already begun, and that, so far as our army and navy are concerned, there is no longer any ground for complaint of a wasteful and demo ralizing inactivity. The army and navy are in motion, and we shall not have to wait much onger for some decisive results.

Our second question, which refers to the sinews of war, and to the prospects of seasons ble, broad and comprehensive measures of Congressional legislation on the subject, we cannot nswer so satisfactorily to our readers. The House of Representatives, paid off in gold, appears still to be ignorant of the fact that gold in New York is selling at three to four per cent premium. And why this premium, with a specie basis of three hundred millions in the country? It arises from the absence of any provision on the part of Congress for the interest and final redemption of the present and prospective paper money issues on the part of the govern ment. An expenditure of six hundred millions a year upon a cash basis of sixty millions of receipts is shaking the confidence of the country in Treasury paper and all other sorts of paper money. The safety of the Treasury and the interests of the financial, commercial and all other business classes of the country demand a cash basis for these war expenses of the Treasury of two hunfred millions, or additional direct and indirect taxation on the part of Congress equal to one hundred and fifty millions income to the Treasury.

The war is progressing finely; but the sinews of war will surely fail us unless Congress, dropping this worse than useless agitation of slavery, and these disorganizing inquiries con cerning the leaders of our army, shall promptly interpose to save the country and the Treasury We want one hundred and forty or fifty millions more actual cash receipts for the Treasury. Let them be provided by taxation, and the work of sustaining the paper issues of the government and of our banks upon the par basis of specie will be simple and easy. Next give us a general bankrupt law, to lift from the shoulders of our business classes some of the oppressive burdens resulting from this rebellion, and our people will not complain of the extraordinary drafts upon them to sustain our army, the Treasury and the currency of the country, from the dangers of a financial revul-

As the army is in motion for a vigorous pro secution of the war, we call upon Congress to provide the sinews of war without further trilling, equivocations or delay.

Revolution in Taxation. Now that the Committee of Ways and

Means is about to urge upon Congress the Secretary of the Treasury's plan to raise by taxation upon the whole community sufficient revenue to sustain the paper money about to be issued, for the purpose of carrying on the war, it is deemed advisable that our State Legislature should follow the exam. ple, and effect a reform in the mode of taxation which has hitherto prevailed. As the taxes in this city have become so enormous, it is impossible that they can be raised by real estate alone, especially since the disruption of the Union and the war have so greatly reduced its value. In England taxation is not confined to real estate, as in the State of New York. consumption produced in the country as well as upon those imported-articles in general use, such as sugar, tea, offee, tobacco, wine spirits, malt-by stamps, by direct taxes, by assessments upon occupants of dwellings, and by a per centage upon income. Thus taxation is distributed over the whole body of the people, and is not limited to a class. This is as it should be: but more particularly would its justice be felt in the United States, where all have common interest in the public safety, and where equal protection is afforded to all.

In this city the taxes for the year 1861 amount to \$12,000,000. Of this sum real and personal estate pay \$5,800,009, of which the real contributes \$4,000,000 and the personal \$1,800,000, About sixty thousand persons pay the whole of the \$12,000,000, which will be increased to \$14,000,000 in 1862 It is clear, therefore, tat out of a population of nearly 1,000,000 persons, upwards of 900,000 do not contribute a dollar directly to the support of the city government. Foreigners and men of large capital, doing business in the city, and often residing out of the country, are not reached at all. Other classes are exempted from their fair proportion of the burden which ought to be common to all. An entire change in the system of taxation is necessary. The reduction of the burden on real estate would be advantageous to the community at large. Rents would be reduced, and classes that do not occupy houses, but who are wallowing in wealth derived from the national resources would be compelled to contribute to the sup It will be necessary for the Legislature of this State to devise a system of finance analogous to that of the general government. Other wise bankruptcy will ensue. Taxes must

port of the government which protects them. be imposed to pay the interest and to provide for a sinking fund, and these taxes must be spread over the whole community. To sue unlimited paper money, without provision for the payment of the interest and the redemption of the principal at a fixed date, would be only the revival of financial blunders exploded by the experience of the past And this is just the mistake made by the financier of the World, who identifies the plan of Mr. Chase with the system of the French finance of old, and the American Continental system at the time of the Revolution, when there was no revenue to pay the interest and reduce the principal. Now the case is entirely different. There is a wealthy population in the United States, able and willing to "pay for their whistle," and revenue must be raised to meet both interest and principal. Had France and the American colonies had the same means of sustaining their paper money it would not have depreciated, and the debt would not have accumulated as it did. We have the means, and we must apply them, both to the exigencies of the general and State governments. We have the resources, and all that is needed is to organize them by means of a judicious system of

The Sinews of War-The New National Currency.

World, the Tribune and the Times-are in league with each other and with the banks to overthrow the system of finance devised by Mr. Chase for the purpose of carrying on the war-Yesterday the World had a number of articles in opposition to it, but pretended that its fire was not directed against the Secretary of the Treasury and the government, but only against the Committee of Ways and Means, who have matured a bill authorizing the issue of Treasury notes to the extent of \$100,000,000, payable on demand, but not at any particular place, and not bearing interest, but exchangeable at any time at their par value, the same as coin, at the Treasury of the United States, or at the different offices of the Sub-Treasury, for any of the coupons or bonds which the Secretary of the Treasury is now or may hereafter be authorized to issue. As these bonds are to bear interest which interest is to be paid from revenues raised by taxation, the paper is evidently secured upon the credit of the government and the public revenues, and is just as good as gold for all purposes of internal trade. It is also made a legal tender for all debts, public and private—for debts due by the government as well as debts due to it, and for all debts between one citizen and another.

It is for this measure that the World assails the Committee of Ways and Means, but denies that it attacks Secretary Chase. This is worthy of the sanctimonious hypocrites and pious dissemblers of the World. It is notorious that the Committee of Ways and Means is the Congressional organ of the Secretary of the Treasury and of the government; and the stab, therefore, which appears aimed at the committee, is really directed over its shoulder to the breast of Mr. Chase, who stands behind.

But in another article in the same journal the animus is revealed, and Mr. Chase is directly ssailed because he does not issue the \$50,000 000 Treasury 3.65 per cent notes which Con. gress last July authorized him to issue, instead of resorting to the demand notes of the new bill. Now, what is the difference? The World answers that the 3.65 per cent notes would answer every useful purpose of the new notes, while "they do not attempt to create currency, and therefore do not derange prices by depreciating the currency, which demand notes always have done to a frightful extent in times

There's the rub. Hinc illa lachrymae. Hence the lamentations of the World that "the nation will be swept into the vortex of ruin," when it really means that some rotten banks will be swept away, whose currency will be depreciated and whose circulation will be made "small by degrees and beautifully less." The quarter whence the assault emanates, and who they are who prompt it, are thus unconsciously disclosed. The new notes "create a currency," which will be national, and will supersede the currency of the State banks. The reason why demand notes in times past have become depreciated was be cause there was no revenue raised to redeem them or pay the interest, and because they were not convertible. But these demand notes are convertible into redeemable bonds, which bonds bear interest, which interest will be paid by revenue. Hence they are really a redeemable currency.

One of the other organs of the banks, the "Little Villain" of the Times, comes out against another of the finance measures of Mr. Chase and constituting a part of his comprehensive scheme. We refer to the bank bill providing a new national currency, based upon a deposit of United States stocks. By this bill banks may be organized by depositing bonds of the United States to the amount of not less than \$50,000, when they shall be entitled to receive national bills for circulation to a like amount: in addition to which security it is provided that each bank shall keep on hand in moneys of the United States (including Treasury notes) one-fourth of its circulation outstanding at any one time. The Tones objects to this bill because it gives too much security to the public against the banks, and because it does not permit a profitable investment of capital. It "doubts the practicability of the scheme," and says the "law will be little better than a silent letter upon the statute book." Just like his fellow co-operator of the World, the sneaking Times has not the manliness to attack Mr. Chase directly for his financial scheme, but does it in a cowardly manner. through the Committee of Ways and Means,

Both these journals have conspired in the interest of the banks against the government. The banks have showed their hostility from the beginning to the new currency which is to supersede their issues, and which will consolidate the strength of the government in the same proportion as the banks are shorn of their power. All the influence of the latter and all their money will be employed to defeat the measures of the administration. But banks and all other things must, at this crisis, be rendered subordinate to the paramount interests of the nation, and they must be either made subservient to the safety of the govern. ment or be crushed out of existence. The best way to deal with them is to include them in the proposed bankrupt law, and wind them up under its operation, like all other bankrupt concerns. Thus disposed of, they will be powerless for mischief, and they will make room for the new banks, which are to be based on United States stocks, and whose circulation will consist of a national currency guaranteed by the public faith of the government and the people, and effectually secured by a comprehensive system of taxation.

ENGLISH VIEWS OF OUR FINANCIAL CONDI-TION.—In the last letter of that famous seer and prophet, Dr. Bull Run Russell, he predicted that before the close of 1861 a most extraordipary financial crisis would take place in this country; that a national paper currency would be issued, and that the whole banking system of the country would go down with a rush. The ides of January are past, and his vaticinations remain unfulfilled. The community are of course awaiting with some anxiety the action of Congress in regard to the manner in which our war burdens are to be provided for: but we have yet to discover the evidences of the financial cataclysm which was so clearly prefigured to the acute vision of the English

There is an old but very true saying, that people who live in glass houses should not throw stones." In laying such a stress on our financial perplexities our transatlantic cousins should not shut their eyes to the moral contained in this pithy axiom. Notwithstanding their boast that they were never so well prepaper money, supported by equitable revenues. | pared to go to war with all the world as a,

present, there is no disguising the fact that they were in a mortal funk at the idea of the being compelled to resort to the alternative which they made contingent on the non-surrender of Mason and Slidell. We can judge of the extent of their apprehensions by the eagerness with which they seized on the hopes held out by the pacific tenor of Senator Seward's despatch of the 23d of December last. And that they have good grounds for those fears will be seen from the following paragraph, copied from the Western Times, an English provincial journal of high standing in the manufacturing districts:-

BANKRUPICY.—The enormous length of the list of bank-rupts trenching so much on our space, we omit it. The Gardte of Bankruptcy will afford a great treat to those fond of this sort of reading.

The truth is that England, financially and

commercially, was never in a more rotten condition than she is at the present moment. Her people are staggering under such a load of taxation that they are unable to support any further burdens. With her cotton mills closed or working on short time, her exports to this country reduced by one-half, famine decimating the Irish portion of her population, and starvation impending over her English operatives, she was in no condition to pick up the gauntlet had we chosen to fling it to her. She might, it is true, have damaged our navy, temporarily ob. structed our commerce and wrought us some injury on our seaboard: but the cost of all this. like " the last straw that breaks the camel's back," would have so ground down her people and bankrupted her resources that rebellion and revolution at home would have been the inevitable result. It is well for the people of England that the prophecies of the La Times in regard to the intentions and disposition of our government on the Mason and Slidell affair were no nearer the truth than those with which Dr. Bull Run Russell, L.L. D., and A. S. S., has been recently favoring its readers on our financial and commercial prospects.

Brass Bands for the Army.

The statement that music hath charms to oothe and so forth is true; but that music hath charms to excite and stimulate is true also. From the creation of the world, when the morning stars sang together, down to the present period, when operatic stars are in the ascendency, no great undertaking was ever complete without music by the band. Horns and toots are terms symbolical of revelries and dissipations. Psalms and hymns are indispensable to religion. Even in Elysium the spirits of just men made perfect are said to play on a harp of a thousand strings. We cannot live, love, dance or be pious, and especially we cannot fight, without music.

All history proves that music is as indispensable to warfare as money; and money has been called the sinews of war. Music is the soul of Mars. In old times Joshua sent Jericho on a bust with his horns. The Greeks and Romans invented brass bands by clashing their shields together as they went into battle. The old English yeomen were equally skilful with and "one who draws the long bow" have become synonymous terms. The Crusaders had their troubadours. The cavaliers and roundheads fought out the respective merits of monarchy, democracy and short and long metres. The "Marseillaise" is the big colum\_ biad of France. Tom Dibdin is the fighting admiral of the English navy. "Yankee Doodle Dandy" has put many a feather into our national cap. With hosts of such facts before them, we wonder how our "Onward to Richmond" contemporaries can object to and propose to disband the brass bands of our

Good martial, national music is one of the great advantages we have over the rebels They have only bands of guerrillas and brid burners, and are as destitute of musical notes as they are rich in shinplasters. They have not even one good national tune, if we except the "Rogue's March," for "Dixie" belongs exclusively to our Dan Bryant. "Hail Columbia," "Yankee Doodle," the "Star Spangled Banner," and airs of that sort, they left behind them with the other good things of the Union; and, in spite of every effort, England cannot be persuaded to lend them a little "Rule Britannia." Having thus no music in their souls they are, as Shakspere says, only fit for treason rebellion, stratagems, masked batteries, spoils and knaveries. Now, are we going to relinquish our musical advantage, and lower ourselves to the key of the rebels? Is the Harp of Erin to be hung upon the willows? Is the Teutonic element to indulge only in swei lager, and give up its cornets-a-piston Far from it. We might better give up Washington. < The idea of so unpatriotic a measure could only have originated with those fanatics who have never been able to keep step to the music of the Union, and who prefer contrabands to any true constitutional melodists. They would like to have our army singing about Old John Brown, his body, bones, grave, knapsack and soul, but cannot endure our brass bands. Such men ought to be subjected to the blowing up of a nightly serenade from the combined bands of our entire army. But, say they, brass bands are expensive, and

you are in favor of a wise economy. Very true; but so are cannon, powder and such things expensive. If, however, we can be shown any scheme to supply the army with music more cheaply, we shall advocate it as willingly as we oppose Fremont's musket transactions or Cummings' dealings in army ale. Suppose our soldiers were to take lessons from the abolition editors, and each learn to blow his own trumpet. That plan has its advantages; for our music would then become an offensive weapon, and doubtless the enemy would ignominiou treat at the first blast. No true Union soldier would object to taking a horn and delivering a blow for his country; but then we dread the effect upon them of such concordance and harmony with abolition practices. Suppose, then, that we purchase a steam instrument-a mam moth calliope-and do the music for the army by machinery and wholesale? Or if it be of jected that it would be difficult to average the melody so that each regiment in line should share it equally, suppose we have a large donkey organ, of the kind used by vagrant circuses, attached to each division? These wind instruments might perform during parades when political colonels and brigadiers make ouncombe orations; and, for hand to hand fights, skirmishes and scrimmages, hand or double barrelled organs might be useful. We should favor this idea if all abolition organs, wind or hand, were carefully prohibited.

Still, until some less expensive and as good music can be supplied, we insist upon our brackbands. Read how the returned prisoners from Richmond danced and wept for joy when the